

Board Policy #4

TITLE: Continuing Professional Education (CPE) Guidelines for CPAs

EFFECTIVE DATE: June 30, 2015

AUTHORITY: §§ 54.1-4409.2 and 54.1-4413.2 of the Code of Virginia and Board Regulations 18VAC5-22-90 and 18VAC5-22-140

POLICY STATEMENT: Specific CPE requirements of the Board are listed in the authority sections named above. This policy details the CPE guidelines approved by the Board.

General guidelines

Board Regulation [18VAC5-22-90](#) requires licensees who are not currently performing any services and who resume providing services to the public or to an employer to first obtain at least 120 hours of CPE prior to providing those services. The 120 hours must include a two-hour Virginia-Specific Ethics Course (an annual requirement - see below).

The Board recognizes that 50 minutes of CPE participation equals one hour of CPE credit. One semester hour of credit for courses at an accredited college or university constitutes 15 hours of CPE and one quarter-hour of credit constitutes 10 hours of CPE.

CPE requirements may be adjusted depending upon when a Virginia CPA begins or ceases to provide services to the public or to an employer in accordance with Board Regulation [18VAC5-22-90](#). Specific questions may be addressed by contacting the [Virginia Board of Accountancy](#).

Virginia-Specific Ethics Course

The VBOA requires that all licensees providing services to the public or to an employer complete on an annual basis a Virginia-Specific Ethics Course that complies with Board Regulation [18VAC5-22-90](#). The two-hour Virginia-Specific Ethics Course is a separate and distinct annual requirement from the one-time American Institute of Certified Public Accountants ethics course needed for initial licensure.

Virginia licensees must complete the required annual ethics course no later than January 31 of each year to meet the previous calendar-year requirement. Therefore, no sponsor may provide the annual ethics course later than January 31 for the previous calendar year.

The Board has ~~approved~~ **contracted with** the Virginia Society of CPAs (**VSCPA**) as the only provider of content/material for the Virginia-Specific Ethics Course. The ethics course content/material must follow an annual outline approved by the Board.

The course must be instructor-led but may be presented in a variety of different formats including, but not limited to, live seminars, conference sessions, online self-study presented by an instructor, live webcast and webcast replays, on-demand webcast and in-house training.

It is the licensee's responsibility to ensure that sponsors providing the Virginia-Specific Ethics Course are listed on the Board's website as an approved provider of this course.

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POLICY STATEMENT, con't: Licensees must also ensure that sponsors provide a certificate of completion or some other form of documentation that includes the sponsor's name, participant's name, course/content name, date taken and CPE hours earned.

If the licensee is not satisfied with the content of the course or the instructor, the licensee is encouraged to contact the [VBOA](#). Licensees will not be granted CPE credit for completing a Virginia-Specific Ethics Course from a non-approved sponsor.

Qualifying CPE (excluding the Virginia-Specific Ethics Course)

It is the intent of the VBOA that all CPE (1) meet the requirements of Board Regulations [18VAC5-22-90](#) and [18VAC5-22-140](#); (2) provide course content pertinent to the profession; and (3) assist the licensee in becoming a better accounting professional. The VBOA accepts CPE obtained through a variety of forums, providing that the licensee is able to demonstrate that learning objectives were met.

A variety of continuing professional education is acceptable, including:

- Attending a seminar or educational conference: Instructors must have up-to-date knowledge of the subject matter and use appropriate teaching materials. Attendance should be monitored in a manner that can be verified by the VBOA.
- Earning course credit at an accredited college or university.
- Completing a self-study course: Licensee must be able to demonstrate that learning objectives were met.
- Making a presentation: The licensee may present at a professional seminar, educational conference or classroom setting, provided that up-to-date knowledge of the subject matter is demonstrated and appropriate teaching materials are used.
- Producing written materials: The topic must be relevant to CPAs providing services to the public or an employer. The material is formally reviewed by an independent party and must be published in a book, magazine or similar publication.
- Additional Board approved CPE: The Board has approved CPE credit for passing specific exams (in the year passed), without a certificate of completion indicating CPE hours earned, not to exceed a total of 60 hours over a three-year rolling period. The listing of approved exams can be found on the Board's website under "Qualifying CPE."

The Board will determine on a case-by-case basis the acceptability of other forms of CPE.

The VBOA has restrictions on the CPE hours a licensee may regard as valid:

- Repeat presentations may not be counted as additional CPE.
- During each three-year period, a maximum of 30 hours for preparing and making presentations is allowable.
- One semester-hour of credit for courses at an accredited college or university constitutes 15 hours of CPE and one quarter-hour of credit constitutes 10 hours of CPE.

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POLICY STATEMENT, continued: The Board has also approved that Continuing Education (CE), Continuing Education Units (CEU), Continuing Legal Education (CLE), Continuing Medical Education (CME), Quality Assurance Service (QAS) and semester and quarter-hour credits are acceptable as CPE credits.

The VBOA does not currently require licensees to obtain CPE from specific or approved sponsors (excluding the Virginia-Specific Ethics Course).

In addition, pursuant to Board Regulation [18VAC5-22-140](#), individuals who release or authorize the release of reports on attest or compilation services provided for persons or entities located in Virginia must obtain on an annual basis a minimum of eight hours of CPE related to attest or compilation services.

CPE reciprocity/home state exemption

If a CPA holds an active license in another state and their principal place of business is located in that state, he or she is eligible for CPE reciprocity/home state exemption. If a CPA meets the CPE requirements in their home state, the VBOA will accept this as CPE compliant in Virginia. The CPA must select the “home state exemption” during the CPE audit process to be eligible for this exemption. The concept of substantial equivalency was developed to allow licensed CPAs to practice across jurisdictions more easily. Visit the [NASBA website](#) to view jurisdictions substantially equivalent to Virginia.

CPE reporting period

The VBOA uses a rolling three calendar-year period to determine CPE compliance. This period includes the three calendar-years prior to the current calendar-year. For example, if asked by the VBOA to produce evidence of CPE compliance, submit such evidence for the three calendar-years prior to the current calendar-year.

CPE compliance reviews

On a monthly basis the VBOA randomly selects licensed CPAs in Virginia for CPE compliance. The VBOA will notify licensees selected for a CPE compliance review. If selected, licensees will be required to submit acceptable CPE documentation to verify compliance through a means determined by the Board. As a function of this CPE review process, licensees may be required to provide additional documentation as requested by the VBOA to support compliance.

In addition to the random selection process, licensed CPAs in Virginia will also be selected for a CPE compliance review as a component of any open investigation (enforcement case), or in situations where the VBOA believes that a CPE compliance review is warranted.

Licensees should not submit CPE documentation during the annual renewal process unless specifically asked to by the VBOA. However, CPE documentation must be retained for the three calendar-years preceding the current calendar-year.

CPE documentation requirements

Required documentation can generally be satisfied by providing:

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- Certificates of completion or some other form of documentation from the CPE sponsor(s) including the sponsor(s)' name, participant's name, course/content name, date taken, and CPE hours earned.
- Official transcript of the college or university for earning course credit at an accredited college or university.
- Syllabus/agenda and signed statement indicating the length of the presentation when making a presentation.
- Copy of published article, book or written material (or proof of publication) when producing written material relevant to CPAs who provide services to the public or to an employer.

The VBOA has restrictions on the types of documentation it regards as acceptable. The VBOA will not accept receipts, registration confirmations, cancelled checks, outlines, PowerPoint presentations or sign-in sheets, etc., as valid CPE documentation.

The VBOA will determine on a case-by-case basis whether other forums are acceptable for CPE credit.

For a complete summary of CPE accepted by the VBOA, see Board Regulation [18VAC5-22-90F](#).

Retention requirements for CPE documentation

Licensees must retain CPE documentation for the three calendar-years preceding the current calendar-year.

CPE violations

As the result of a CPE compliance review, the VBOA may find that a licensee has violated the CPE requirements during the reporting period. In such cases [enforcement](#) action may be taken and the licensee will generally be offered a consent agreement and be subject to disciplinary action.

For a complete summary of CPE accepted by the VBOA, see Board Regulation [18VAC5-22-90F](#).

A licensee may also determine on their own (outside of the CPE compliance review program) that they are deficient in CPE for a specific reporting period. The licensee should notify the [VBOA](#) immediately when it is determined that a CPE deficiency has occurred.

In accordance with Board Regulation [18VAC5-22-90H](#), depending on the facts and circumstances, the VBOA may waive all or part of the CPE requirement for one or more calendar-years or grant additional time for complying with the CPE requirement, provided that the waiver or deferral is in the public interest. However, requests for a waiver or a deferral must generally be received in advance of the deadline for CPE completion. It is the policy of the VBOA that such waivers or deferrals generally be considered only in situations resulting from extreme medical hardship or active military deployment. Requests for a waiver or deferral made under this section will be considered on a case-by-case basis. Such approvals are rare.

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APPROVAL AND REVIEW: This Board policy was reviewed on June 30, 2015.

SUPERSESSION: This Board policy replaces Board Policy #4 effective April 30, 2015.

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